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Walsh persuades House panel to withhold immunity to Clines

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Responding to a request by independent counsel Lawrence Walsh, the House committee probing the Iran-Contra scandal agreed not to give limited protection from prosecution to a former CIA agent linked to the sale of arms to Iran.

19 The House panel had planned to grant immunity to Thomas Clines, who left the CIA under a cloud following an earlier arms selling scandal, in exchange for his testimony about weapons deals with Iran and diversion of profits to Central America.

Mr. Walsh met with the House members yesterday after learning the committee planned to vote on immunity for Mr. Clines.

Later, Mr. Walsh told reporters Mr. Clines "appears to be a principal in the activities which are under investigation." He said, "Others should be able to produce the substance" of evidence Mr. Clines could give the panel. "It's almost impossible to insulate the prosecutor from the immunized testimony," he said.

The House select committee members were swayed by Mr. Walsh's argument on Mr. Clines, but voted to grant immunity to other, unnamed witnesses, according to a spokesman for the committee.

More than a dozen witnesses have been granted immunity in recent weeks.

Mr. Walsh said yesterday he has placed evidence under seal as witnesses have been granted immunity, hoping to be able to use the evidence in any indictments that might result from his investigation.

"You accumulate what evidence you have, and you take it to a judge to be sealed under court order," said a member of Mr. Walsh's staff. "It established that the evidence was gathered before the testimony given to Congress, and allows it to be used against a person."

Under the law, a witness granted limited immunity cannot be prosecuted for statements made at congressional hearings. Other evidence can be used in seeking indictments against that witness.

Mr. Walsh has complained the evidence he has gathered could be tainted by wholesale immunity to witnesses.

Mr. Clines, 59, was a high-ranking CIA agent until 1978, when he was linked to Edwin Wilson, who was convicted of illegal arms sales to Libya and given a 52-year prison sentence.

He is a close friend of retired Air Force Major Gen. Richard Secord, who also resigned his government career in the wake of the Wilson case.

In the Tower commission report on the Iran-Contra affair, Mr. Clines was linked to the network of private bank accounts used by Lt. Col. Oliver North to shift arms to the Contras, according to Mr. Walsh.

Mr. Clines reportedly coordinated an arms sale from Portugal to Contra groups using Southern Air Transport, a former CIA-owned airline repeatedly connected to arms shipments to the Contras.

Congressional investigators are looking into reports Mr. Clines arranged for a Danish freighter, the *Erria*, to ship arms from Europe to Honduras, where they were picked up by Contra supporters.

In the early 1980s, the FBI investigated massive overbillings to the Pentagon by a company formed by

Mr. Clines to transport weapons to Egypt. In a plea bargain arrangement with federal prosecutors, Mr. Clines and his company paid fines of about \$3 million.

Neither Mr. Clines nor his attorney have talked with reporters since the arms sales and possible money diversion to Contra groups was disclosed November 25.

The Senate committee will meet tomorrow, and is expected to vote on whether to grant immunity to unnamed witnesses, a spokesman said. The spokesman declined to comment on the House decision.